



WHAT IT COSTS

FINANCING BACK ON TRACK THROUGH COLLEGE DESIGNS

MAY 2013

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BACK ON TRACK

PATHWAYS THROUGH POSTSECONDARY



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Jobs for the Future works with our partners to design and drive the adoption of education and career pathways leading from college readiness to career advancement for those struggling to succeed in today's economy.

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BACK ON TRACK

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Jobs for the Future's **Back on Track Through College Designs** represent the next generation of schools, programs, and pathways that reengage youth and young adults who are off track to graduation or disconnected from school and work. The three-phase Back on Track model—Enriched Preparation, Postsecondary Bridging, and First-year Support—puts youth and young adults on a path to achieving their postsecondary and career aspirations. The Back on Track model is one of JFF's Early College Designs, which blend high school and college in a rigorous and supportive program.

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EXECUTIVE SUMMARY

Millions of young Americans are insufficiently attached to school or work, floundering among an array of confusing, poorly financed programs, and facing shrinking job opportunities for those without a postsecondary credential. Jobs for the Future's Back on Track Through College model offers them not only an opportunity to earn a high school credential but also to make a supported transition to and through postsecondary education. *What It Costs* provides a clear accounting of the model's costs and benefits, as well as information on how districts, community-based organizations, and community colleges can together realize efficiencies that make it possible to provide—at a reasonable cost—the programming low-income, underprepared students need to succeed in postsecondary education.

Our analysis reveals that the nation is not securing the full potential of the almost seven million young people who are insufficiently attached to school or work. Our new economic reality is especially unforgiving for young people with limited education and few skills. As a nation, we have an unprecedented opportunity to invest in programming that not only helps millions of young people turn their lives around but also greatly reduces the fiscal and societal costs of disconnection for decades and generations to come.

A NEW PATHWAY TO CREDENTIALS

The circumstances of many low-income youth—economic insecurity, contested immigration status, failing high schools, incarceration, poor skills—make it difficult for them to pursue a direct path from high school through college. Lacking such a path, their opportunities to gain the education and skills they need to find solid footing in the labor market are very limited. However, the increasing visibility of the disconnected youth population is sparking the invention of pathways to credentials and careers. In places as varied as New York City and the small towns of South Texas, school districts are getting young people back on track, as are national

youth-serving networks, social entrepreneurs, and community colleges.

Drawing on these pioneering efforts and from our work with early college high schools, JFF's Back on Track Through College model offers leaders guidance in developing or enhancing high school-diploma-granting and GED-granting programming. The model features three overlapping phases: enriched preparation; postsecondary bridging; and first-year support. It is designed to create momentum toward postsecondary credits and career credentials for disconnected youth, with the goal of completing a high school credential ready to make a successful transition into and through postsecondary education.

COSTS OF THE BACK ON TRACK THROUGH COLLEGE MODEL

JFF, in collaboration with Eduventures, has calculated the average cost of delivering the Back on Track Through College model for diploma- and GED-granting designs (see *table on page vi*). Participating in the research were 10 schools and programs that are:

- > Implementing at least two phases of the Back on Track model; and
- > Beating the odds in terms of high school credentials and postsecondary enrollment and persistence for the population of young people they serve.

For each phase, the costs of GED Back on Track programs are lower than those for diploma-granting schools. Primarily, this reflects staffing differences. Diploma-granting schools hire certified teachers and counselors who have Bachelor's degrees or higher, and they are bound by district, union, and other pay-scale and benefit requirements. Few of these conditions apply to GED programs.

Even so, the costs of GED Back on Track programs are markedly higher than those of typical GED programs, which are usually short and focused on preparing

AVERAGE ANNUAL PER STUDENT COSTS FOR TWO BACK ON TRACK THROUGH COLLEGE MODELS

	ENRICHED PREPARATION	POSTSECONDARY BRIDGING	FIRST-YEAR SUPPORT	TOTAL
Diploma-granting Program	\$8,800	\$3,250	\$2,700	\$14,750
	Range of Costs (-/+10%)			
	\$7,920-\$9,680	\$2,925-\$3,575	\$2,430-\$2,970	\$13,275-\$16,225
GED Through College Program	\$5,250	\$1,600	\$1,550	\$8,400
	Range of Costs (-/+10%)			
	\$4,725-\$5,775	\$1,440-\$1,760	\$1,395-\$1,705	\$7,560-\$9,240

Note: In addition to the “average costs,” the table includes a range of costs (plus or minus 10 percent of the average) assuming that schools and programs will vary in their actual cost structure.

students for the GED exam. The average allocation for Adult Basic Education, the only federal funding stream dedicated to GED and other adult education programming, is \$800 per student. Some states supplement that, but the total still falls far short of what is needed to prepare GED candidates for postsecondary success.

Most of the costs in the Back on Track model are similar to those for a typical school or education program. However, there are major differences, primarily around staffing, the main cost driver for most education programs. On average, Back on Track schools and programs have a student-to-teacher ratio of 20 to 1 and a student-to-counselor ratio of 50 to 1 during the enriched preparation phase. According to U.S. Department of Education data, the average class size in the nation’s low-income public high schools is 24 students and the average counselor-to-student ratio is 450 to 1.

In building cost models for the diploma-granting and GED Through College program models, JFF considered the components of pathway design that appear to be critical to reducing costs and increasing the return on investment.

In most cases, collaboration across secondary and postsecondary institutions and community-based organizations is critical to delivering the Back on Track Through College model efficiently. When designed strategically, such partnerships make it possible for schools/programs and community colleges to provide low-income, underprepared students with services and supports they need to succeed in postsecondary education—and for less direct cost than the programs

and colleges would likely incur if they worked in isolation.

Another lesson emerging from JFF’s research is the degree to which the economic feasibility of the Back on Track Through College models (both diploma-granting and GED-granting) relies on embedding the schools and programs in larger “parent organizations”—districts, charter management organizations, or community-based organizations—as well as on robust partnerships with community colleges. All of the programs in our study gained financial benefits from such arrangements.

Interviews with site leaders revealed again and again the need for programs leaders who are expert at raising money and skilled at navigating a complex labyrinth in order to braid together available public and private funding and sustain all three phases of the model. This, in turn, points to the importance of state and local policy changes to remove barriers to and advance the Back on Track Through College model and other innovative approaches to put disconnected youth on the path to success in education and work.

THE ECONOMIC BENEFITS OF THE BACK ON TRACK MODEL

A growing body of research (e.g., on dual enrollment, postsecondary bridging, and first-year support programs) corroborates the Back on Track model, as do emerging results from frontrunner schools and programs implementing it. Based on this combination of research and practice, the model has the potential to impact the lives of the millions of young people struggling to find a path back to education and training

in the face of a job market offering few opportunities to those without a postsecondary credential.

Yet for Back on Track programs and schools to spread and reach any scale, the cost-sharing arrangements and progressive policies described in *What It Costs* must become the norm rather than the exception. Borrowing from Clive Belfield and his colleagues' analysis of the economic costs of the millions of youth under- or unattached to school or work, our cost benefits analysis shows clear savings:

- > If 40 percent of 250 youth entering a Back on Track diploma-granting program succeed, the return in terms of taxpayer savings in increased revenue and lower costs is \$19.9 million, over five times the initial investment, or about \$5.40 for every \$1 invested. Even if only 15 percent of the youth succeed, the return is about \$1.50 for every \$1 invested.
- > A GED Through College program serving 100 young people with 25 percent succeeding generates an additional \$5.1 million in savings to the taxpayer in increased tax revenue and reduced costs, or about \$5 for every \$1 invested.
- > If 50 diploma-granting schools enrolling 250 students each and 50 GED Through College programs enrolling 100 students each, were operating around the country with similar completion rates, the additional tax revenues and savings to the taxpayer would total \$1.3 billion.

INTRODUCTION

Millions of young Americans are insufficiently attached to school or work, floundering among an array of confusing, poorly financed programs, and facing shrinking job opportunities for those who lack a postsecondary credential. Jobs for the Future's Back on Track Through College model offers these youth not only an opportunity to earn a high school credential but also to make a supported transition to and through postsecondary education. *What It Costs* provides a clear accounting of the model's costs and benefits, as well as information on how districts, community-based organizations, and community colleges can together realize efficiencies that make it possible to provide—at a reasonable cost—the programming low-income, underprepared students need to succeed in postsecondary education.

GROWING NUMBERS OF OPPORTUNITY YOUTH

The experience of disconnection from school and work in the period from the older teenage years to the mid-twenties is an increasingly common hazard for low-income young people in the United States. Nearly 40 percent of our young people between the ages of 16 and 24 are weakly attached or unattached to school and work at some point during that formative stretch of their young lives. At any point in time, over one in six 16- to 24-year-olds can be called “disconnected” (Belfield, Levin, & Rosen 2012).

The reasons are not hard to discern. Schools, particularly in low-income and minority neighborhoods, lose students at an alarming rate (Balfanz et al. 2012). Even young people who graduate from high school on time or return for a GED and then proceed to postsecondary education are highly unlikely to complete a degree or credential (Zhang et al. 2010). In addition, despite reported openings in the labor market, particularly in mid-skill level jobs, few good jobs are available to young people who lack skills, postsecondary

credentials, work experience, and connections to working adults.

Until recently, most references to this aggregate group of young people used the term “disconnected youth.” “Opportunity youth,” now gaining in popularity, is used interchangeably with the older term, and that is the case here. The term “opportunity youth” honors recent survey findings that young people themselves object to being called “disconnected” and express a strong desire for the opportunity to get more education and good jobs. It also calls attention to the economic and social value to our communities of addressing their needs (Bridgeland & Milano 2012).

About half of opportunity youth leave high school as young as 16 and do not earn a diploma. The other half includes former dropouts who return for a GED or high school diploma, as well as many who graduate from high school yet do not advance into postsecondary education or steady jobs (Belfield & Levin 2012).

Being out of work and out of school during the formative late teenage/early adulthood years has ripple effects throughout a lifetime, with enormous impacts on society. The longer young people swirl, the more diminished their long-term prospects. Moreover, these are prime childbearing years, making disconnection a major contributor to multigenerational poverty. If the numbers of disconnected youth remain as large as they are today, over their lifetimes the fiscal and social burden of these youth will total \$6.3 trillion (Belfield, Levin, & Rosen 2012).

THWARTED AMBITIONS

Once a young person loses connection to education and work, a path forward can be exceedingly difficult to find. It is not for lack of ambition. A recent survey of disconnected youth revealed that most want and, in fact, expect to find good jobs, understand that they need education and credentials to gain footing in the

“Most *opportunity youth* want and, in fact, expect to find good jobs, understand that they *need education* and credentials to gain footing in the labor market, and believe they have a responsibility for moving forward on their education and career goals. In most cases, their *aspirations are thwarted*.”

labor market, and believe they have a responsibility for moving forward on their education and career goals (Bridgeland & Milano 2012). This can be seen in the large percentage of high school dropouts who enroll in GED programs and how often they list the desire for a postsecondary education as the reason for seeking a GED (Zhang et al. 2010).

In most cases, their aspirations are thwarted. Clive Belfield, Henry Levin, and Rachel Rosen (2012) found that by age 28, only 1 percent of opportunity youth will complete at least an Associate’s degree, compared with 36 percent for the rest of the population.

From a decade of building pathways to credentials for low-income youth, Jobs for the Future has learned firsthand that the young people who most need such pathways are the least likely to have them available.¹ The circumstances of many of our youth—economic insecurity, contested immigration status, failing high schools, incarceration, poor skills—make it difficult for them to pursue a direct path from high school through college. Lacking such a path, their opportunities to gain

the educational and job skills they need or to find solid footing in the labor market are very limited.

Neither our education system nor our workforce system is set up to advance this large group of young adults to a credential and career efficiently. Once off the expected path through high school and into a postsecondary program of study and a career, young people find themselves isolated or, at best, churning among a confusing array of poorly financed adult education or workforce training programs, which may be offered by a variety of providers—school districts, community-based organizations, nonprofit organizations, community colleges, proprietary schools, correctional facilities, or employers (Bridgeland & Mason-Elder 2012).

In most cases, such programs serve all ages, are short term, and lack any special features designed to meet the needs of young people who have experienced interruptions in their schooling and have virtually no work history to build upon. Programs with good track records usually have long waiting lists or entry requirements that few young people with poor educational histories can meet. Not surprisingly, some young people fall prey to the false promises of expensive for-profit training programs that leave them not only jobless but deeply in debt (U.S. Government Accountability Office 2009).

A NEW PATHWAY TO CREDENTIALS: BACK ON TRACK THROUGH COLLEGE

The increased visibility of disconnected youth is sparking new energy and the invention of pathways to the credentials and careers they desperately want. This innovation and heightened commitment to action are taking place in all three sectors that are responsible for the education of this large group of youth: school districts; community-based organizations; and community colleges.

From the boroughs of New York City to small towns in the Rio Grande Valley of South Texas, innovative school districts are reengaging youth and reinventing alternative education to focus on getting young people back on track to postsecondary credentials with value in the labor market. National networks of

community-based organizations that serve youth, such as YouthBuild, the National Youth Employment Coalition, and the Corps Network, are engaged as well, adding to their programming a more intentional and supported bridge to postsecondary education.² Social entrepreneurs have entered the scene, with programs like Year Up that equip disconnected youth with the professional and technical skills sought by major local employers seeking to develop homegrown workforces to fill middle-skill level jobs.³ Community colleges are partnering with districts and community-based organizations to support young people through to postsecondary credentials. In some cases, they are seeding their own “GED to College” pathways that take college credentials, not the GED, as the educational goal.

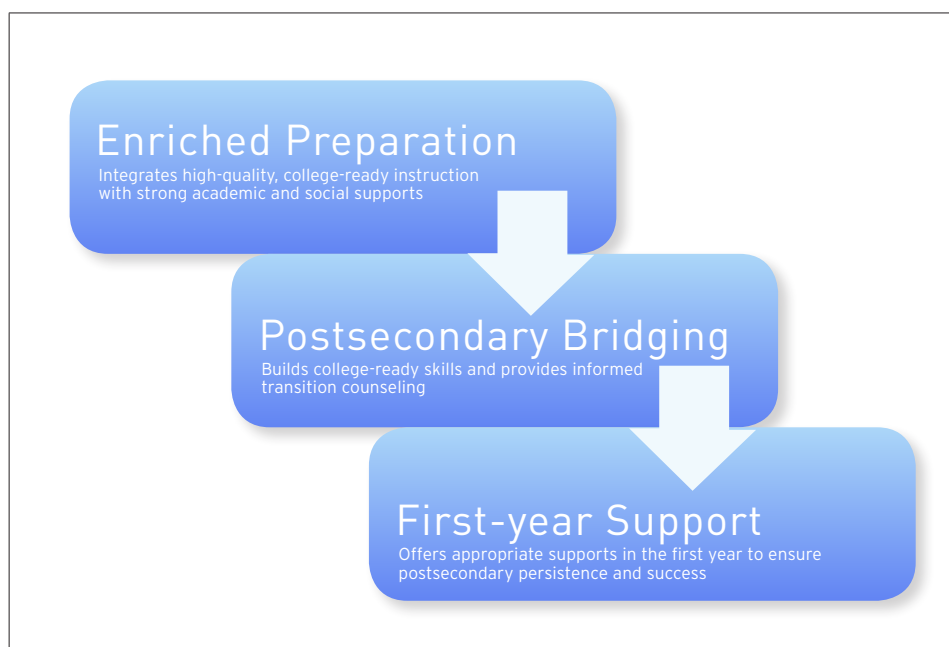
Drawing from this pioneering work, as well as from lessons JFF has learned from developing and scaling up early college high schools for low-income, first-generation college goers, we developed a Back on Track Through College model that the field is using to develop or enhance both diploma-granting and GED programming. The model features three overlapping

phases: enriched preparation; postsecondary bridging; and first-year support (see *Figure 1*).⁴ It is designed to create momentum toward postsecondary credits and career credentials for young people who, because of school history, family, work, and other obligations, enter education programs behind their age or grade level in credits or skills and have little time in which to make up for lost ground. The goal is for students to complete a high school credential prepared to transition into and through postsecondary education, whether at a two-year or four-year college or in an apprenticeship or training program resulting in a credential with value in the labor market.

While the phases overlap, each has a specific focus and distinct features:

Enriched preparation focuses on engaging students in a college-going culture that consistently sends them the message that students are intellectually capable and that postsecondary success is the expectation. Characterized by an intentional use of time to maximize instruction and accelerate learning, this phase combines curricula and instruction aligned to the Common

FIGURE 1.
THE THREE PHASES OF THE BACK ON TRACK THROUGH COLLEGE MODEL



Core with personalized guidance and support in order to prepare students for success in postsecondary programs of study.

During the **postsecondary bridging** phase, students build the “metacognitive” skills, learning habits, and work habits essential for further education and gainful employment (e.g., goal setting, problem-solving, persistence, time management, college and workplace norms and expectations).⁵ Students also receive guidance that takes into account their career aspirations and local labor market demand to help drive them toward postsecondary programs offering the best chance to enter and succeed in family-sustaining careers. To ensure a seamless transition to postsecondary enrollment, this phase includes supported dual enrollment: Students take college courses and earn college credits while completing a high school credential.

To maintain their educational momentum, students receive personalized guidance and **support through the critical first year of postsecondary education**. This can include such features as frequent check-ins with a transition counselor, help connecting with on-campus networks and supports, and small cohort-based learning and leadership communities.

Programs vary in how they implement distinct elements of each phase and the degree to which phases overlap in terms of timing, resources, and staffing. Regardless, collaboration across secondary and postsecondary institutions and community-based organizations is critical to the Back on Track Through College model. Usually, at least two sectors partner to share in the delivery of services.

CALCULATING THE COSTS OF THE BACK ON TRACK MODEL

JFF, in collaboration with Eduventures, has calculated the average economic costs of delivering each phase of the Back on Track Through College model for both diploma-granting and GED designs.⁶

In selecting diploma-granting schools and GED programs to include in our research, JFF identified those that were:

- > Implementing at least two of the three phases of the Back on Track model; and
- > Beating the odds in terms of high school credentials and postsecondary enrollment and persistence for the population of young people they serve.⁷

The research team worked closely with the leaders of 10 of these schools and programs to capture their cost models as accurately as possible. We used these to develop an “average” model for each type of design, making adjustments based on consultation with leading practitioners and experienced finance staff from the field. (See Appendix I for a list of the schools and programs consulted for this research. See Appendix II for detail on our methodology.)

JFF’s research unfolded side by side with the model’s continuing development among the schools

and programs in our study. While the number of implementation sites is growing, these schools and programs are at different points in putting the model’s three phases in place. Many of the school and program leaders participating in our research projected out the costs for a fully operational Back on Track model without having all three phases in full operation.

The average annual cost for all three phases of the Back on Track model for schools granting a high school diploma is \$14,750 per student (see Table 1), which compares with the projected average per pupil expenditure of \$11,467 for the 2012-13 school year for students in the nation’s K-12 public schools (Hussar & Bailey 2013). That is roughly equivalent to the cost of providing the enriched preparation and postsecondary bridging phases of the Back on Track model to disconnected youth.

The average annual cost of the GED Back on Track Through College programs is \$8,400 per student, with each phase costing less than in diploma-granting schools and programs. This lower cost primarily reflects the difference in staffing diploma-granting and GED designs. Diploma-granting schools hire certified teachers and counselors who have a Bachelor’s degree or higher and are bound by district, union, and charter

TABLE 1.
AVERAGE ANNUAL PER STUDENT COSTS FOR TWO BACK ON TRACK THROUGH COLLEGE MODELS

	ENRICHED PREPARATION	POSTSECONDARY BRIDGING	FIRST-YEAR SUPPORT	TOTAL
Diploma-Granting Program	\$8,800	\$3,250	\$2,700	\$14,750
	Range of Costs (-/+10%)			
	\$7,920-\$9,680	\$2,925-\$3,575	\$2,430-\$2,970	\$13,275-\$16,225
GED Through College Program	\$5,250	\$1,600	\$1,550	\$8,400
	Range of Costs (-/+10%)			
	\$4,725-\$5,775	\$1,440-\$1,760	\$1,395-\$1,705	\$7,560-\$9,240

Note: In addition to the “average costs,” the table includes a range of costs (plus or minus 10 percent of the average) assuming that schools and programs will vary in their actual cost structure.

pay scales and benefit requirements. Few of these conditions apply to GED programs, which have more flexibility in hiring instructors and in salaries and benefits across their staffing.

At the same time, the costs of the GED Back on Track model are markedly higher than those for GED programs, which are usually short in duration and primarily prepare students for the test. The average allocation for Adult Basic Education, the only federal funding stream dedicated to GED and other adult education programming, is \$800 per student (Foster, Strawn, & Duke-Benfield 2011). Some states supplement that, but the total still falls far short of what is needed to prepare GED candidates for the postsecondary education that is vital to earning a family-sustaining wage.

The introduction in 2014 of a new GED assessment, aligned to college- and career-ready standards, will create a strong impetus for moving toward GED Through College designs. The poor completion rates of GED completers who enter postsecondary (under 10 percent complete a two-year or four-year degree) indicate how rare it is for students to get the type of help they need (Almeida, Johnson, & Steinberg 2006). Most GED seekers are former dropouts who typically lack critical

skills and academic content knowledge. They will need an intensive period of enriched preparation to pass the new battery of tests. If they are to persist once they enter college, postsecondary bridging and first-year supports can no longer be left to chance.⁸

THE COST CATEGORIES

The cost structure presented here assumes a fully operational Back on Track Through College model. That is, schools and programs deliver all three phases during the year at full capacity. Enriched preparation and first-year support are assumed to operate on the academic calendar year.⁹ Postsecondary bridging costs assume a three-month engagement, although students may participate in postsecondary bridging at various times during the year.

Table 2 shows the key cost categories included in the Back on Track models and the extent to which each is incurred across the three phases. Most of the costs are similar to those for a typical school or education program, with some major differences. The schools and programs implementing the model incur costs across all three phases. Compared with typical high schools, they also have lower staff-to-student ratios and provide more

TABLE 2.
KEY COST CATEGORIES FOR BACK ON TRACK THROUGH COLLEGE MODEL

COST CATEGORY	ENRICHED PREPARATION	POSTSECONDARY BRIDGING	FIRST-YEAR SUPPORT
Staffing			
Administration*	✓	✓	✓
Teaching	✓	✓	
Counseling/Supports	✓	✓	✓
Expenses			
Student Supports (e.g., textbooks, materials, college tuition, transportation, emergency funds, fees for college placement tests)	✓	✓	✓
Professional Development	✓		
Facilities and Maintenance	✓		
Supplies	✓		
Other (e.g., program events, memberships, insurance, audits)	✓	✓	✓

* Administrative staffing includes school/program leaders, as well as operations and IT staff, among others.

robust student supports in order to accelerate students' learning and support them to and through a first year of postsecondary education.

STAFFING PATTERNS

As in most educational programs, staffing is a primary driver of costs for Back on Track designs. In general, these schools and programs strive to have student-to-teacher and student-to-counselor ratios that are lower than is typical in our nation's low-income public schools. This is critical to realizing the designs' ambitious goals.

On average, in delivering the enriched-preparation phase, the student-to-teacher ratio is 20 to 1 and the student-to-counselor ratio is 50 to 1. These ratios compare with a national average class size of 24 in low-income public high schools, as well as a counselor-to-student ratio of 450 to 1.¹⁰ In general, the ratio of 50 students to 1 counselor remains the same across the three phases of the model. For the postsecondary bridging and first-year support phases, transition counselors and coordinators and case managers constitute the primary program staff.

We also assume that the costs of administrative staff, particularly principals and program directors, are allocated across all three phases of the Back on Track model, although the costs are higher for enriched preparation. Teachers spend some time in bridging activities and lessons as part of equipping students for postsecondary success, even if their students are not yet formally in the postsecondary bridging phase. Consequently, a small portion of teachers' time is allocated to the postsecondary bridging phase.

It is important to note that the school and programs leaders we interviewed were clear: Their staffing patterns represented neither the ideal ratios for the population of young people they serve nor the bare minimum. Rather, their costs represent what is doable and feasible given available funding.

ADDITIONAL STUDENT SUPPORTS AND INCENTIVES

Almost all of the young people enrolled in the Back on Track schools and programs JFF studied come from low-income families and communities. They often lack the capital to access basic materials and services required to succeed in college. Across the board, the schools and programs provide some level of support to help students complete postsecondary programs. These include, for example, textbooks and other materials, transportation to postsecondary institutions, and help with tuition and fees for placement tests. The cost model includes such student-support expenses across all three phases.

COST-SHARING EFFICIENCIES

A key lesson emerging from JFF's research is the degree to which the economic feasibility of the Back on Track Through College model derives from the relationship of schools or programs to larger "parent" organizations (e.g., school districts, charter management organizations, community-based organizations) and to community colleges or other education providers offering postsecondary credentials. For example, districts and charter management organizations typically carry the costs of

WEB-BASED FINANCE TOOLS

WHAT WOULD THE BACK ON TRACK MODEL COST YOU?

JFF, in collaboration with Eduventures, has developed web-based finance tools to help schools and programs put in place the Back on Track Through College model. The tools, which are easy to access and adapt to the local context, include cost-structure prototypes for diploma- and GED-granting programs. Users can also assess investments both across and within the phases and the costs shared by parent organizations and community partners.

The tools are available at: www.jff.org/botcostmodel.

transportation, facilities, maintenance and security, and, to some extent, technology, professional development, and human resource services.¹¹ CBOs usually cannot achieve a district's economies of scale, but the schools and programs in our study also benefited from being part of larger organizations. The benefits often include reduced or free rent and facility-maintenance fees, support from the executive director, and staff assistance with development, finance, and technology. The most engaged community college partners reduced tuition for students taking dual enrollment courses, waived additional fees, and provided administrative staff time to support the partnerships.

All of the schools and programs in JFF's study benefit financially from being embedded in larger organizations and from partnerships with postsecondary institutions, although the extent of the benefit depends somewhat on the size of the parent organization, its own economies of scale, and the depth of the college partnership. In general, when the larger organization or community college partner considers the Back on Track program a priority, cost sharing is more robust and there are more opportunities for increased effectiveness and efficiencies (see box, "A District-College Partnership in South Texas Makes a Difference" on page 9).

Adding in the costs incurred by the parent organization to support the school or program makes the importance of these arrangements clear. The cost for the enriched preparation phase increases from \$8,800 to \$12,550 for diploma-granting schools and from \$5,250 to \$7,500 for GED programs. However, for postsecondary bridging and first-year support, the increase when including partners' costs for either diploma-granting or GED programs is very modest—less than \$200 per student.

"All of the schools and programs in JFF's study benefit financially from being embedded in larger organizations and from partnerships with postsecondary institutions."

A DISTRICT-COLLEGE PARTNERSHIP IN SOUTH TEXAS MAKES A DIFFERENCE¹²

The driving mission of the Pharr-San Juan-Alamo Independent School District in south Texas is “All PSJA Students: College Ready, College Connected.” This mission extends to those who have dropped out of school or are in imminent danger of not graduating with their class. In driving toward that mission, the district created the College, Career & Technology Academy, a dropout recovery school developed in partnership with South Texas College. CCTA has played a key role in helping the district raise its graduation rates from 62 percent in 2007 to 89 percent in 2011, as well as boosting college enrollment.

In a region of Texas with large numbers of youth who are disconnected from school and work, the school's slogan has had a galvanizing effect: “You didn't graduate from high school? Start college today!” Registration for college courses, facilitated by staff from both South Texas College and CCTA, occurs when students enroll at the academy. Even while completing high school requirements, students can select among a limited number of “mini-mesters”—shortened dual enrollment courses that include career-oriented certificate courses offered at CCTA or the college. They can also take a “college success” course that helps them develop study skills, explore career interests, and understand their options for high-payoff credentials. A CCTA transition counselor provides on-campus, first-year support to students who matriculate into South Texas College.

The commitment of the PSJA superintendent Dr. Daniel King and the founding president of South Texas College Dr. Shirley Reed is evident in the ways they have accessed and braided multiple funding sources to support CCTA's operations. These include for example: state career and technological education funding, which helps cover fees for dual enrollment; state compensatory funds for students identified as at risk of dropping out; and the high school allotment fund for supporting high school completion and preparing underachieving students to enter college. The school also leverages federal and state funds to provide certain social services (e.g., child care). To reduce dual enrollment costs, CCTA works with South Texas College to certify CCTA teachers as adjunct faculty who then provide the college courses free of charge at the academy. South Texas College pays the teachers a small stipend to provide the college course.

THE ECONOMIC BENEFITS OF THE BACK ON TRACK MODEL

Based on the work of pioneering schools and programs, community-based organizations, and community college partners, cost models for Back on Track Through College designs demonstrate how intentional pathways can be operated for a reasonable cost. JFF also has used the cost model to calculate the potential return on investment to the economy and society of even modestly scaling up Back on Track pathways.¹³

We start from the work of Belfield, Levin, and Rosen (2012) and their research on the consequences of doing nothing for the young people who are not attached to school or the labor force—specifically, the costs to the economy, society, the communities where these young people are concentrated, and, most important, to the young people themselves. On average, the lifetime economic consequence to taxpayers—lost tax payments and cost of policing, Medicaid, and other taxpayer-funded public resources—of failing to alter the disconnected status of a 20-year-old is \$235,680 (in 2011 dollars).¹⁴ This includes an immediate annual fiscal burden of \$13,900 for every year between the ages of 16 and 24 that a young person remains unattached to school or to work, as well as a \$170,740 long-term economic burden associated with permanent disconnection in adulthood, beginning at age 25.¹⁵

There are also broader social costs (e.g., lost earnings, health costs, lost economic gains from a less-educated workforce), and these are greater than the fiscal burden. Belfield and Levin (2012) have calculated the immediate social loss per young person at \$37,450 annually, with a corresponding lifetime lump sum social loss of \$529,030 beginning at age 25. Belfield, Levin, and Rosen assess the additional immediate and lifetime social costs at \$704,020, 2.5 to 3 times that of the reported fiscal burden estimates. For the purposes of this analysis, we use the more conservative fiscal burden.

THE CASE FOR INNOVATION

The fiscal and social consequences of not changing the life trajectories of millions of disconnected youth are daunting. At the same time, the personal and social economic benefits of attaining more education are well documented. Each additional year of education yields an 11 percent increase in earnings (Rouse 2007). The median wage of people possessing only a high school diploma is \$29,423, about 58 percent of the median income earned by individuals with a Bachelor's degree (Zaback, Carlson, & Crelin 2012). While the median income for a person earning an Associate's degree is \$38,607, the wage premiums vary across the different disciplines, and 30 percent of two-year credential holders earn higher salaries than the median for four-year degree holders (Zaback, Carlson, & Crelin 2012; Carnevale, Rose, & Cheah 2011). These additional earnings generate tax revenues at the federal, state, and local levels.

Recent research points to the positive impact of postsecondary bridging and first-year support on postsecondary persistence and completion. A number of studies have demonstrated the value of nonacademic college support programs that focus on key skills such as college knowledge, institutional navigation skills, goal setting and persistence, and time management and study skills—all aspects of typical postsecondary bridging programs (Bailey & Alfonso 2005; Karp 2011; Moore & Shulock 2009). Studies of summer bridge programs have found that participants passed their college-level introductory courses in math and writing at a higher rate than students who did not participate in postsecondary bridging. Also, they found high enrollment in college the following fall semester among participants (over 80 percent) (Barnett et al. 2012; Bragg 2010).¹⁶

First-year postsecondary support programs are associated with higher rates of first-year course completions and persistence through a second year (Bloom & Sommo 2005). Such findings should not be surprising. These students need sustained support, such as the Back on Track model is designed to provide (Barnett et al. 2012).

ESTIMATING THE BACK ON TRACK MODEL'S RETURN ON INVESTMENT

The Back on Track Through College model is designed not only to help young people earn a high school credential but also to complete postsecondary credits and career credentials. Based on the growing body of research that supports the three-phase design, as well as early outcome data from schools and programs implementing the model, JFF calculated the costs and benefits of the model in order to estimate the economic value of providing students with such programming.

As noted, Belfield, Levin, and Rosen (2012) calculated the long-term fiscal burden of doing nothing to improve the prospects of disconnected youth: a taxpayer loss of \$235,680 per young person and additional immediate and lifetime social costs of \$704,020.

In other words, the cost for one young person to complete all three phases of a Back on Track model and change his/her lifetime trajectory is roughly equal to the fiscal burden incurred by taxpayers each year that a young person remains disconnected (\$14,750 total cost for the three phases versus \$13,900 for the annual fiscal burden of disconnection). Clearly, the investment in each young person completing such a pathway very quickly begins to pay off for taxpayers. For a GED Through College program, the \$8,400 total cost for three phases is only about 60 percent of the estimated annual fiscal burden of a disconnected youth.

Based on emerging results from frontrunner schools implementing the Back on Track model, we assume that 40 percent of students who enter a diploma-granting school move through the three phases and complete at least a first year of postsecondary education. Given a school serving a typical 250 students, that would yield \$19.9 million in additional tax revenues and cost

savings, according to our cost model.¹⁷ This is a return of over five times the initial investment of \$3.7 million or about \$5.40 for every \$1 invested.¹⁸ Even if only 15 percent of entering students complete a first year of postsecondary education—the savings come to \$5.3 million or a return \$1.50 for every \$1 invested.

Because the costs of delivering a Back on Track Through College GED program are less than for a diploma-granting school, the returns are potentially greater, although this is mitigated by lower projected postsecondary completion rates of GED completers (Zhang et al. 2010). Based on our research with early implementers of the GED Through College model, we assumed that 25 percent of young people entering the program will complete at least a first year of postsecondary education.¹⁹ Given a program serving 100 young people, this generates an additional \$5.1 million in tax revenue and reduced costs. This return is over six times the initial investment of \$839,000, or about \$6 for every \$1 invested.²⁰ Even if such a program is effective for only 4 percent of its participants, taxpayers would recoup the costs of delivering the three-phase model.²¹

“The cost for one young person to complete all three phases of a Back on Track model and change his/her lifetime trajectory is roughly equal to the fiscal burden incurred by taxpayers each year that a young person remains disconnected.”

Nationally, Back on Track programs are part of a growing movement to expand pathways to postsecondary education and open the door to family-sustaining wages for opportunity youth. Achieving this outcome would benefit not only the young people themselves but also their children and their neighborhoods, and ultimately improve the economic and social health of our nation. Even modestly scaling up this innovative model would result in significant fiscal benefits. For example, if there were just 100 such programs operating around the country—50 diploma-granting schools enrolling 250 students each and 50 GED Through College programs enrolling 100 students each with similar completion rates—the additional tax revenues and savings to the taxpayer would total \$1.3 billion.²²

“Fifty Back on Track Through College *diploma-granting schools* enrolling 250 students each and 50 *GED Through College programs* enrolling 100 students each, with a conservative estimate of completion rates, would yield *additional tax revenues and savings* to the taxpayer totaling \$1.3 billion.”

FINANCING THE BACK ON TRACK MODEL

The schools and programs implementing the Back on Track Through College model fund the work through strategically and creatively combining available public and private funding streams (see *table 3 on page 14*). Often referred to as “braiding,” this approach is comprised of combining a variety of public and private dollars and includes, for example: federal and state education and labor funding; federal and state funding targeted to specific populations (e.g., foster care, court-involved youth); local and county dollars for youth programming; and private philanthropic dollars.

One factor behind successful Back on Track schools and programs is how savvy the leaders are about raising and combining funding from multiple sources. They have to be skilled at navigating a complex labyrinth of funding systems and operating within a variety of frameworks and regulations that differ in flexibility on the state and federal levels. To address the challenges this presents, programs devote considerable time and dollars to development and fundraising. As a result, even the strongest schools and programs getting the best results face ongoing uncertainties as to the sustainability of their work.

The issue of sustainability is especially acute for GED Through College programs, which could serve as an alternative route to postsecondary education and a family-sustaining career for some of our most vulnerable young people. Yet as Table 2 on page 6 indicates, GED Through College programs have access to fewer funding sources than do diploma-granting schools. Except in a very few states, most of them lack access to state and local K-12 per pupil dollars, which are the largest potential source of funds for Back on Track Through College models. These per pupil dollars can be 10 or more times the average Adult Basic Education per student allotment of \$800 per student. This differential is especially problematic in light of the age of GED candidates. Nearly 60 percent of them are in

the youngest age cohort, 16 to 24 years old, which is the cohort most likely to enroll in postsecondary education and yet the least likely to complete a credential. Nationally, only 14 percent of this age group complete any credentialing program, even a six-month certificate program (Zhang et al. 2010).

KEY FACTORS FOR SUSTAINABILITY

Decisions and commitments made by the leaders of school districts and community colleges, as well as policies set at the local, state, and federal levels, all can play important roles in removing barriers and creating the incentives and sustainable funding for the Back on Track Through College model.

ENABLING STATE AND LOCAL POLICIES

When district leaders place a priority on reengaging young people who are over-age and behind in credits and skills or have dropped out of school altogether, their commitment can enable schools and programs to move toward Back on Track designs. The more districts see such programming as aligned with their broader mission and goals (e.g., college and career readiness for all) and key to addressing major challenges (e.g., raising graduation rates), the more likely they are to direct additional resources to such schools.

Some school districts (e.g., New York City, Denver), recognizing the additional costs of educating young people who enter schools over-age and behind in credits and skills, allow for enhanced or weighted per pupil funding for schools serving these young people. The additional per-pupil dollars can help not only to enhance the high school programming but also to free up funding to build out postsecondary bridging and first-year support.

TABLE 3.
POTENTIAL FUNDING SOURCES FOR BACK ON TRACK THROUGH COLLEGE MODELS

FEDERAL	STATE	CITY/LOCAL	PRIVATE
Adult Education and Family Literacy	Adult Education and Family Literacy	City councils	Regional and local foundations
Workforce Investment Act	Department of Community Development grants	Mayoral office funding for youth programs	National foundations focused on older youth
AmeriCorps (Corporation for National and Community Service)	Department of Human Services grants	Public/private initiatives managed by intermediary	Business contracts focused on career and training
U.S. Department of Housing and Urban Development	Dual/concurrent enrollment funds	City/county housing authorities, housing development funds	Business organizations (e.g., rotary clubs chambers of commerce)
U.S. Department of Labor youth offender reentry program	State competitive grants (from the U.S. departments of Education and Human Services	City/county youth employment dollars	United Ways
U.S. Department of Labor Titles 1, 2, 4, & 5	For diploma-granting only:	For diploma-granting only:	
U.S. Department of Justice's Juvenile Justice Educational Enhancement Program	Per pupil state and local funding (ADA or ADM funding. A few states, notably Oregon and Washington, allow per pupil dollars to follow students to GED preparation programs.)	Local dollars from tax base for public schools and charters	
Temporary Aid for Needy Families funds for job training			
John H. Chafee Foster Care Youth Independence Program	Charter school designation (state per pupil dollars and, if district allows, local tax dollars.)		
For diploma-granting only:			
Individuals with Disabilities Education Act			
Elementary and Secondary Act supplement			
Elementary and Secondary Act Titles 1-6			
Carl D. Perkins Vocational and Technical Education Act			

Much of the information in this table is drawn from Thakur & Henry (2005).

At the state level, policies in a number of states (e.g., Hawaii, Minnesota, Virginia) allow for enhanced funding for alternative education (Almeida et al. 2010). A few states, notably Oregon and Washington, allow per pupil dollars to follow students to GED programs. In Washington, per pupil dollars follow students only to programs that combine GED preparation with academic skills instruction and college- and work-readiness coursework.²³

A state's dual enrollment policies also matter. For example, state policy in Colorado and Texas provides stable funding and broad access to dual enrollment, resulting in significant growth in participation across racial/ethnic and income lines. The number of states instituting such policies is likely to grow as evidence continues to accumulate regarding the value of dual enrollment as a strategy for college readiness and completion. Young people who take and complete college courses before earning their high school credential are significantly more likely to enter college and complete a postsecondary degree than students with similar backgrounds who do not take college courses (Struhl & Vargas 2012). The benefits of dual enrollment may be even greater for low-income students and students with lower high school GPAs (Karp, Jeong, & Bailey 2007; Struhl & Vargas 2012).

COMMITTED COMMUNITY COLLEGE PARTNERS

The strength of the community college partnership is a key factor in the ability of a school or program to develop and sustain robust postsecondary bridging and first-year support. Such partnerships can be key to efficiencies that make it possible to provide low-income, underprepared students with the services and supports they need to succeed in postsecondary education—and at lower cost than programs or community colleges would incur working in isolation. For example, a college partner's willingness to share the costs of dual enrollment classes enables more young people to experience college coursework in a supported environment and enter postsecondary with some college credits. As an alternative to reducing tuition

and fees, college partners can help teachers in schools and programs get certified as adjunct instructors. Certification enables them to offer the dual enrollment courses at the school or program site, thereby eliminating the costs of college tuition and fees.

Community college partners also can play roles in offering and sustaining postsecondary bridging and first-year support. Such efforts are likely to proliferate as community colleges struggle to increase their completion rates. Having an identified liaison at the partner college provides a go-to person for the

“Young people who take and complete college courses before earning their high school credential are significantly more likely to enter college and complete a postsecondary degree than students with similar backgrounds who do not take college courses. The benefits of dual enrollment may be even greater for low-income students and students with lower high school GPAs.”

transition counselors who support students from the home school or program into postsecondary education. The arrangement helps ensure that students can access key college resources (e.g., summer bridging programs; support services).

POLICIES TO SUPPORT BRAIDED FUNDING

One of the most promising developments in recent years has been a focus at both the federal and state levels on interagency collaboration to remove barriers to and provide incentives for braiding the various funding streams that can potentially be brought to bear to fund pathways to credentials for our most vulnerable youth. Federal and state leaders are recognizing that for programs to realize operational efficiencies (especially important in the current fiscal climate), braiding must become less onerous and more manageable.

One example is the Performance Partnership Pilot, a provision in President Obama's 2013 budget proposal. It would allow states and localities to braid money from multiple federal funding streams to pilot innovative approaches for improving outcomes for disconnected youth and revitalizing distressed neighborhoods. In exchange for the increased flexibility in the use of funds, states and localities participating in the pilots would be expected to achieve measurable improvements in outcomes.

States also have taken a lead in working toward improved alignment and coordination across systems and agencies. At least 29 states have state-level coordinating bodies that work across agency lines to coordinate programs and services to improve outcomes for children and youth (Forum for Youth Investment 2012).

CONCLUSION

Today's economy is unforgiving for young people with limited education and few skills. In this environment, a growing body of research supporting the Back on Track model, as well as emerging results from schools and programs implementing the model, point to its potential impact on the lives of young people as well as on the nation. As our cost-benefit approach shows, the payoff for scaling up the model will be substantial, and it will come both immediately and over the long term.

Yet Back on Track programs and schools are unlikely to spread and reach any scale unless cost-sharing arrangements and supportive public policies become the norm rather than the exception. As a nation, we have an unprecedented opportunity to invest in programming that not only helps the millions of disconnected young people turn their lives around but also greatly reduces the fiscal and societal costs of disconnection for decades and generations to come.

APPENDIX I

PROGRAMS CONSULTED

JFF consulted these schools and programs in conducting the research on financing Back on Track Through College designs.

NAME	LOCATION	TYPE OF PROGRAM
Boston Day and Evening Academy	Roxbury, MA	Diploma Granting
College, Career & Technology Academy	Pharr, TX	Diploma Granting
College Prep Academy	Austin, TX	GED
College Transition Program at LaGuardia Community College	Queens, NY	Postsecondary Bridge
CollegeBound Dorchester	Dorchester, MA	GED
Colorado Youth For A Change Futures Academy Program	Aurora, CO	Diploma Granting
Community College of Denver College Connection and Fast Start programs	Denver, CO	GED
CUNY Prep	Bronx, NY	GED
District 1199c Training & Upgrading Fund	Philadelphia, PA	GED
GED Bridge at LaGuardia Community College	Queens, NY	GED
GED to College at Temple University	Philadelphia, PA	GED
Improved Solutions for Urban Systems, Inc. (ISUS)	Dayton, OH	Diploma Granting
Mile High Youth Corps	Denver, CO	GED and Diploma Granting
Olive Harvey Middle College	Chicago, IL	Diploma Granting
Open Meadow High School	Portland, OR	Diploma Granting
Operation Fresh Start YouthBuild	Madison, WI	Diploma Granting
Our Piece of the Pie's (OPP) Opportunity High School	Hartford, CT	Diploma Granting
Portland YouthBuilders	Portland, OR	GED and Diploma Granting
X-Cel, Inc. Adult Education	Boston, MA	GED
Youth Empowerment Services (YES) Philly	Philadelphia, PA	GED
YouthBuild Brockton	Brockton, MA	GED
YouthBuild Just-A-Start	Cambridge, MA	GED and Diploma Granting
YouthBuild Philadelphia	Philadelphia, PA	Diploma Granting

APPENDIX II

METHODOLOGY

In developing the average cost models for the Back on Track Through College diploma-granting and GED Through College schools and programs, Jobs for the Future collected data through a series of interviews conducted over the course of two years. JFF staff initially identified and interviewed 23 “early implementers” of the Back on Track three-phase model, representing a mix of diploma-granting and GED schools and programs. They are spread across eight states, although most are in cities on the eastern seaboard (Colorado, Illinois, Massachusetts, New York, Pennsylvania, Ohio, Oregon, and Texas).

About half of the schools and programs are sites under the Postsecondary Success Initiative, a collaboration of JFF, YouthBuild USA, the National Youth Employment Coalition, and the Corps Network. With generous support from the Bill & Melinda Gates Foundation, the Open Society Foundations, and New Profit, Inc., this multiyear national initiative seeks to transform existing diploma-granting schools and GED programs by strengthening partnerships among districts, community-based organizations, and postsecondary institutions. JFF has worked with the remaining schools and programs participating in the research through various initiatives.

From the 23 early implementers, JFF worked with 10 schools and programs to develop individual cost models, and then used the results to create average cost models. In selecting those 10, we looked for the schools and programs that had the most fidelity to the Back on Track model and were furthest along in implementing its three phases. In general, these schools and programs were also demonstrating promising early results across the three phases.

JFF developed an extensive interview protocol to learn more about the design, partnerships, and accompanying costs of each school or program. The

cost categories were indirect staffing (administrative, district/charter provided) and direct staffing (e.g., instructors, volunteers, counselors); student support services; professional development; and supplies and miscellaneous expenses. The protocol also included questions about the sources of funding for the various costs, as well as policies that advance or impede implementation of the Back on Track model.

JFF created a structured template for organizing the notes from the interviews and shared them with a finance consultant from Eduventures. He used the information to create preliminary cost models for each school and program. JFF shared the preliminary cost models with the appropriate program and school staff and conducted subsequent follow-up interviews. JFF conducted two or three follow-up interviews with each site to refine their individual cost models.

The consultant then used the data from the refined cost models from schools and programs to inform the development of two average cost models, one for diploma-granting schools, the other for GED programs.

At various times during that process, JFF shared drafts of the average cost models with funders, partners, and cities leading the charge in implementing Back on Track Through College diploma-granting and GED programs. On March 1, 2012, we presented drafts of both cost models to the Postsecondary Success Initiative Leadership Team, consisting of leaders from the Bill & Melinda Gates Foundation, the Open Society Foundations, and three national partners: the Brandeis University Center for Youth and Communities, the National Youth Employment Coalition, and YouthBuild USA. On May 31, 2012, we shared a refined version of a diploma-granting cost model with the Pathways to Graduation team, a peer learning network of leading communities of innovators using cross-sector partnerships to build systems of pathways for

disconnected youth. The network cities are Boston, Chicago, Mobile, New York, Philadelphia, and Portland, Oregon. Both meetings included discussions of and refinements to the various assumptions incorporated into the model.

To get to the final average cost models, the research team consulted and vetted drafts with school and program leaders (often those we had interviewed), as well as JFF staff with extensive on-the-ground experience helping alternative education schools and GED programs transform themselves into Back on Track designs.

See the acknowledgements for this report for the individuals consulted at various times during this project.

ASSUMPTIONS UNDERLYING THE COST MODELS

The protocol for the interviews, the cost categories, and a set of initial assumptions for developing the cost models were informed by a convening of finance innovators hosted at JFF on June 28, 2011. We refined the assumptions over the following months.

The final average diploma-granting and GED cost models report an annual per student cost for each of the three phases of the Back on Track Through College model. They assume that all three phases of each program model are fully operational during a 12-month period. That is, the program serves the maximum number of students during each phase that current facilities or a specific level of staffing can accommodate. The final cost models do not include startup costs (e.g., the cost of facilities) and other one-time costs (e.g., major technology upgrades).

Across the ten schools and programs, the process of implementing all three phases was at various stages at the time of the research. All were enhancing their enriched preparation programming, and all were building out the postsecondary bridging and first-year support phases. JFF worked with school and program

leaders to estimate costs based on a fully operational model.

For diploma-granting schools and programs, we assume enriched preparation and first-year support operate on the academic calendar year. For GED programs, the delivery of these phases is more flexible, although it must be aligned with the schedules of postsecondary partners. In both types of school and program, postsecondary bridging costs assume a three-month engagement, although students may participate in this phase at various times during the year.

JFF built in assumptions regarding the cost sharing across sectors and partners that make it feasible to offer students programming across all three phases. The model assumes that parent organizations (i.e., districts, charter management organizations, and community-based organizations) carry some of the costs of operating the Back on Track schools and programs. It assumes that community college partners reduce tuition for dual enrollment courses by 30 percent, waive additional fees, and provide some administrative staffing to support the partnerships.

The average cost models assume a student-teacher ratio of 20 to 1 in enriched preparation; a student-counselor ratio of 50 to 1 for students in enriched preparation, postsecondary bridging, and first-year support; and salaries based on certified instructors for diploma-granting schools.

The cost models do not factor in a cost-of-living adjustment. Instead, we estimated average costs nationwide based on the locations of existing programs, which are a mix of urban, small city, and rural areas.

ENDNOTES

¹ See also Bridgeland & Mason-Elder (2012).

² For information on YouthBuild USA, see: www.youthbuild.org. For information on the National Youth Employment Coalition, see: www.nyec.org. For information on Corps Network schools, see: www.corpsnetwork.org.

³ For information on Year Up, see: www.yearup.org.

⁴ For information on the Back on Track Through College model, see: www.backontrackdesigns.org.

⁵ For information on developing metacognitive skills, see Conley (2012, 2013).

⁶ JFF did not factor in a cost-of-living adjustment. Instead, we estimated average costs nationwide based on the location of existing programs, which is a mix of urban, small city, and rural areas of the country. (See *Appendix II, Methodology, for more information.*)

⁷ Because the Back on Track Through College model is in early stages of development, some schools and programs in our study did not have data on first-year postsecondary persistence.

⁸ See, for example, the research of Barnett et al. (2012), Karp (2011), and Moore & Shulock (2009).

⁹ The schools and programs in the study were in the process of enhancing their enriched preparation programming and building out the postsecondary bridging and first-year support phases. JFF worked with school and program leaders to project costs based on a fully operational model.

¹⁰ See U.S. Department of Education (2010) and U.S. Department of Education, National Institute for Educational Statistics, "Public Elementary and Secondary School Student Enrollment and Staff from the Common Core of Data: School Year 2009-2010."

¹¹ The cost model includes estimated district and charter management costs identified by school and program leaders (e.g., financial management,

information technology, security services, maintenance, transportation). Other costs (e.g., superintendent salary expenses, curriculum development, central office rent) were not estimated or included.

¹² Jobs for the Future has written extensively about the College, Career & Technology Academy. For a general overview of CCTA, see Allen & Wolfe (2010). To access the CCTA toolkit, a resource for practitioners seeking to prepare off-track, out-of-school youth for postsecondary success, see: <http://ccta-psja.jff.org>.

¹³ Note the distinction between diploma-granting or GED Through College *program models* and the *cost models* for these programs.

¹⁴ The \$235,680 figure represents a present-value lump sum. It is expressed when the youth is aged 20 but paid back over the youth's lifetime (Belfield, Levin, & Rosen 2012).

¹⁵ To account for the fact that many youth do not become disconnected until later in their teens, Belfield, Levin, and Rosen assume that the average age of an opportunity youth is 20, meaning they will incur an immediate annual fiscal burden of \$13,900 for about five years instead of for nine years.

¹⁶ Utilizing a randomized experimental design, a study of eight developmental summer bridge programs at community colleges and four-year colleges in Texas found that students in these programs passed college-level introductory courses in math and writing at a higher rate than students in a control group (Barnett et al. 2012). Students in the summer bridge programs were also more likely to pass college-level reading, but the difference was not statistically significant. After the summer bridge program, 81.6 percent of the participants enrolled in college the following fall. Debra Bragg (2010) evaluated the Community College of Denver's College Connection, an eight-week summer bridge program designed to transition out-of-school youth into college. Using a mixed-methods

research design, Bragg found that 80.3 percent of the participants enrolled in college.

¹⁷ Based on the results of early implementers of the Back on Track diploma-granting design, we estimated that 94 of 250 students (38 percent) entering a Back on Track school make it through the first year of postsecondary education: 75 percent of the young adults earn a high school diploma, and 50 percent of them go on to complete the first year of postsecondary education. For the purposes of estimating the additional saving from tax revenues and reduced costs generated from a Back on Track diploma-granting school, we rounded up the completion rate from 38 to 40 percent. This compares with the 1 percent of opportunity youth who earn at least an Associate's degree by age 28 as reported by Belfield, Levin, and Rosen (2012).

¹⁸ The return on investment for a diploma-granting program with a 40 percent completion rate is \$5.40 for every \$1 invested. The ROI is calculated as follows:

$$\frac{\text{[Total additional revenues gained minus (-) cost of the program]}}{\text{divided by (÷) [The cost of delivering the program]}}$$

The additional lifetime tax revenue is based on the number of students successful at completing all three phases of the Back on Track program and multiplying it by the total lifetime fiscal burden of \$235,680 per opportunity youth as estimated by Belfield, Levin, and Rosen (2012). For 100 students, the total additional revenue generated is \$23.6 million. According to JFF's average finance model, the cost of delivering the three phases to a student is \$14,750. For 250 students, it is \$3,687,000 (rounded to \$3.7 million).

¹⁹ The assumption that 25 percent of students, or 25 out of 100 students, in a Back on Track GED program make it through the first year of postsecondary is based on findings from early program implementers. In these programs, about 75 percent of young adults earn a GED, with 60 percent of those earning a GED enrolling in postsecondary and half of them (or about 23 students from the initial cohort) completing the first year of postsecondary. We round up to 25 percent for the purposes of calculating the return on investment. While 25 percent may seem like a low success rate, it

is, in fact, 25 times the 1 percent of opportunity youth who earn at least an Associate's degree by age 28, as reported by Belfield, Levin, and Rosen (2012).

²⁰ The same formula in endnote 19 can be used to measure the return on investment for any program. This formula is modified to account for the costs of delivering a GED Through College program. According to JFF's average cost model for GED Through College, the cost of delivering the three phases of a GED Through College program is \$8,396 per student. For 100 students, it is \$839,600. The total additional taxpayer saving gained by having 25 students successfully complete all three phases of the GED Back on Track model is \$5.9 million. Minus the initial program costs, this yields a net gain of \$5.1 million in tax revenue. Dividing \$5.1 million by \$839,600 yields a return of about \$6 to every \$1 invested.

²¹ As reported by JFF, the cost per student for the delivery of the three-phase GED Through College model is \$8,396. For 100 students, it is \$839,600. The total tax revenue gained is measured by multiplying the number of students completing all three phases of the program (4) by the total lifetime fiscal burden (\$235,680, as reported by Belfield, Levin, and Rosen). The difference between the additional lifetime tax savings and the cost of the program is then divided by the initial programmatic investment (\$839,600), yielding a return of \$0.12 .

²² This assumes that all programs experience the same outcomes and are of the same size. Of the 250 students in a Back on Track diploma-granting school, 40 percent complete all three phases; of the 100 students in a Back on Track GED Through College program, 25 percent make it to first-year support. To measure the fiscal impact of scaling up each Back on Track program, we multiplied the return-on-investment results by 50 for each program type. Fifty additional Back on Track diploma-granting schools and 50 additional Back on Track GED Through College programs yield an additional \$1.3 billion in taxpayer savings.

²³ For more information on the Washington legislation, see <http://apps.leg.wa.gov/Wac/default.aspx?cite=392-700&full=true>.

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